

## Message Text

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PAGE 01 ATHENS 06411 051024Z

21

ACTION EUR-25

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-11 L-03

NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SP-03 SS-20

USIA-15 IO-14 SWF-02 AID-20 CEA-02 COME-00 EB-11

FRB-03 CIEP-03 STR-08 TRSE-00 LAB-06 SIL-01 SAM-01

OMB-01 SAJ-01 DRC-01 /175 W  
----- 032614

R 050920Z SEP 74

FM AMEMBASSY ATHENS  
TO SECSTATE WASHDC 5311  
INFO AMEMBASSY BONN  
USMISSION EC BRUSSELS  
AMEMBASSY LONDON  
USMISSION NATO  
AMEMBASSY VIENNA

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VIENNA FOR DIETZ

E.O. 11652: N/A

TAGS: EFIN, GR

SUBJ: BALANCE OF PAYMENTS FINANCING: \$100 MILLION  
EURODOLLAR LOAN

REF: ATHENS 6253, 5154, 3869

1. LOCAL CHASE MANHATTAN REP HAS CONFIRMED FINALIZATION  
\$100 MILLION EURODOLLAR LOAN TO BANK OF GREECE BY GOLDMAN SACHS,  
CHASE MANHATTAN ROYAL BANK OF CANADA, ORION, AND NATIONAL  
WESTMINSTER. (SOME PRESS REPORTS HAVE ERRONEOUSLY USED  
FIGURE \$155 MILLION.) SIGNING WILL BE IN LONDON PROBABLY  
SEPTEMBER 6. TERMS ARE VERY CLOSE TO THOSE OF EURODOLLAR LOAN  
SIGNED MARCH 11. DURATION SOMEWHAT SHORTER (8 YEARS WITH 3  
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PAGE 02 ATHENS 06411 051024Z

YEARS GRACE PERIOD VICE 10 YEARS AND 5 YEARS GRACE OF MARCH LOAN);

INTEREST RATE IDENTICAL (3/4 PERCENT OVER LONDON INTERBANK  
RATE FOR FIRST FIVE YEARS AND 7/8 PERCENT OVER FOR REMAINDER).

2. FIVE UNDERWRITERS WILL ABSORB MUCH LARGER PERCENTAGE OF  
LOAN THAN THEY HAD INTENDED. CONDITIONS IN EURODOLLAR MARKET  
AND LOCAL POLITICAL AND ECONOMIC PROBLEMS COMBINED TO MAKE  
SYNDICATION OF LOAN DIFFICULT AND RESULTED IN REDUCTION IN  
LOAN TO HALF OF ORIGINAL \$200 MILLION FIGURE.

3. GOG HAS ALREADY APPROACHED FRG FOR \$400 MILLION IN BILATERAL  
ASSISTANCE FOR 1974, EQUIVALENT SUM FOR 1975 (SEE ATHENS 6253).  
UNLESS SUBSTANTIAL FOREIGN EXCHANGE ASSISTANCE  
FORTHCOMING IN NEAR FUTURE, GOG WILL BE FACED WITH UNPLEASANT  
PROSPECT OF RETURNING TO EURODOLLAR MARKET WHERE TERMS CERTAIN  
TO BE LESS FAVORABLE THAN FOR PRESENT LOAN. OTHER ALTERNATIVES  
MIGHT INCLUDE UTILIZING INTERNATIONAL MONETARY FUND CREDITS  
(\$167 MILLION)  
OR DRAWDOWN IN RESERVES.  
STEARNS

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC ASSISTANCE, EURODOLLAR, NEGOTIATIONS, LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 05 SEP 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Subject:** BALANCE OF PAYMENTS FINANCING: \$100 MILLION EURODOLLAR LOAN  
**TAGS:** EFIN, GR, (SACHS, GOLDMAN)  
**To:** STATE  
**Type:** TE  
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